

STATEMENT BY WORLD TOURISM ORGANIZATION

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On behalf of the Secretary General of the World Tourism Organization, Francesco Frangialli, who is regrettably indisposed, I want to commend UNCTAD and Mr. Ricupero for the longstanding contribution to the world's greatest challenge of poverty alleviation. And Brazil for its leading role.

As the newest member of the United Nations family of Specialised Agencies - since December of last year - we in the smaller, lesser known WTO, come here as the standard bearer of one of the key tools in the fight for accelerated development, education, employment and dignity for the world's poor.

Tourism - business and leisure travel - has increasingly become one of the largest, fastest growing sectors of the global economy and an important component of globalization itself. 700 million people travel around the world every year, directly injecting more than 500 billion dollars into the international economy. Many more aspire to do so - in rich and poor countries. The associated capital investment and the indirect spend in dozens of related economic sectors - from basic agriculture to modern telecommunications - make tourism a sector which punches massively above its obvious weight.

This is particularly the case for the world's poorest countries - where growth in tourism is twice that of the industrialised world. Where every poor country has a natural or cultural resource base which is positioned exactly where the changing marketplace is driving. Where all but 3 of the world's poorest countries have tourism as their number one source of foreign exchange.

And tourism expansion in LDCs is not a zero sum game - it provides many benefits for the industry, the consumers and the foreign aid strategies of the rich origin countries.

What is now needed is a visionary focus on this win - win sector by all states as a development tool par excellence: the political will

At the national and institutional level, to put tourism at the core of policymaking. In PRSPs and in Development Strategies.

- At the multilateral and regional level through what we call "Liberalization with a Human Face" - a progressive asymmetrical loosening of restraints with special benefits for the poorest, with safety nets and real regard for sustainability - not lip service.

Delivered by Geoffrey Lipman, Special Advisor on behalf of
Francisco Frangialli Secretary General WTO-OMT



**World Tourism Organization to UNCTAD X1
Sao Paolo, Brazil June 15th 2004**

In this context, we believe that there is great scope for more attention to this sector in the next phase of the Doha Round -

- To boost liberalization directly and indirectly in the linked economy.
- To ensure that this pivotal service export - which has the unique characteristic of being largely consumed in the country of production - is not impeded by barriers in origin markets, nor through archaic domestic regulation. Non-tariff barriers resulting from safety, security, technology or human resource constraints.
- To encourage a fair competitive framework that minimizes unreasonable leakages to origin suppliers and maximizes linkages to local suppliers.
- And above all to give real value added to all developing countries in the final package

In the more general trade and development area we are actively promoting recognition of the pervasive socio-economic reality and potential of the sector. We are exploring new ways to increase air services to the world's poorest countries. We have launched dedicated programs to expand tourism in Africa, where the resource base is so rich and the need so great. We are leading the implementation of the tourism components of the WSSD action plan. And with the support of UNCTAD have launched a global campaign called ST-EP to harness sustainable tourism in the service of poverty elimination.

Excellencies

Tourism - sustainably developed and managed - can be a beacon sector for the world's poor. Increasing foreign exchange, promoting entrepreneurship, stimulating infrastructure investment, creating millions of skilled jobs.

This can make a massive contribution to the Millennium Development Goals. We must ensure that the small portion of international tourism currently attributed to the world's poorest countries - less than 5% today is radically increased by 2015. But to do this we need to increase its focus in development and trade strategies. We need the strategic vision. We need the political will.

The U.N.'s WTO is committed to this mission. And we pledge to work diligently with you to achieve our common goals.

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